

VZCZCXRO6333  
RR RUEHRG  
DE RUEHBR #1079/01 1531525  
ZNR UUUUU ZZH  
R 021525Z JUN 06  
FM AMEMBASSY BRASILIA  
TO RUEHC/SECSTATE WASHDC 5551  
INFO RUEHBU/AMEMBASSY BUENOS AIRES 4049  
RUEHSG/AMEMBASSY SANTIAGO 5540  
RUEHLP/AMEMBASSY LA PAZ 4618  
RUEHPE/AMEMBASSY LIMA 3018  
RUEHQT/AMEMBASSY QUITO 1846  
RUEHBO/AMEMBASSY BOGOTA 3775  
RUEHAC/AMEMBASSY ASUNCION 5464  
RUEHGE/AMEMBASSY GEORGETOWN 1066  
RUEHMN/AMEMBASSY MONTEVIDEO 6278  
RUEHPO/AMEMBASSY PARAMARIBO 1092  
RUEHCV/AMEMBASSY CARACAS 3273  
RUEHRG/AMCONSUL RECIFE 4868  
RUEHSO/AMCONSUL SAO PAULO 7068  
RUEHRI/AMCONSUL RIO DE JANEIRO 2174  
RUEATRS/DEPT OF TREASURY WASHDC  
RHEBAAA/DOE WASHDC  
RUEHC/DOI WASHDC  
RUEAWJA/DOJ WASHDC  
RUEAEPA/HQ EPA WASHDC  
RUEANAT/NASA WASHDC  
RUCPDC/NOAA WASHDC  
RUMIAAA/USCINCSO MIAMI FL  
RUEHRC/USDA WASHDC  
RUCPDO/USDOC WASHDC

UNCLAS SECTION 01 OF 13 BRASILIA 001079

SIPDIS

SIPDIS

DEPT PASS USAID TO LAC/RSD, LAC/SAM, G/ENV, PPC/ENV  
TREASURY FOR USED IBRD AND IDB AND INTL/MDB  
USDA FOR FOREST SERVICE: MZWEED  
INTERIOR FOR DIR INT AFFAIRS: K WASHBURN  
INTERIOR FOR FWS: TOM RILEY  
INTERIOR PASS USGS FOR INTERNATIONAL: J WEAVER  
JUSTICE FOR ENVIRONMENT AND NATURAL RESOURCES: JWEBB  
EPA FOR INTERNATIONAL: CAM HILL-MACON  
USDA FOR ARS/INTERNATIONAL RESEARCH: G FLANLEY  
NSF FOR INTERNATIONAL: HAROLD STOLBERG

E.O. 12958: N/A

TAGS: [SENV](#) [EAGR](#) [EAID](#) [TBIO](#) [ECON](#) [SOCI](#) [XR](#) [BR](#)  
SUBJECT: SOUTH AMERICA ESTH NEWS, NUMBER 75

1. The following is the seventy-fifth in a series of newsletters, published by the Brasilia Regional Environmental Hub, covering environment, science and technology, and health news in South America. The information below was gathered from news sources from across the region, and the views expressed do not necessarily reflect those of the Hub office or our constituent posts. Addressees who would like to receive a user-friendly email version of this newsletter should contact Larissa Stoner at stonerla@state.gov. The e-mail version also contains a calendar of upcoming ESTH events in the region.

## 2. Table of Contents

### Health

--(3)On Chile's Easter Island: Fungus Provides a Possible Cancer Drug

### Water Issues

--(4)U.S. Supreme Court Ruling Changes Standards for Dam Licensing

### Forests

--(5)Brazil: Eucalyptus Called into Question Yet Again

### Wildlife

--(6)Argentina Against Bird Trafficking

- (7)Colombia: 'Extinct' Frog Comes Back To Life
- (8)Venezuela: Parakeets Endangered on Margarita Island
- (9)100 Oil-Coated Penguins Dead In Argentina

#### Fishing & Marine Conservation

- (10)Award for Peru's Wildlife Pioneer
- (11)Peruvian Authorities Identify Illegal Fishing Activities

#### Protected Areas

- (12)Peru Earmarks Area for Conservation
- (13)Galapagos Feeling Population, Tourism Pressures
- (14)Chilean wilderness Area Attracts Upscale U.S. Investment

#### Industrialization & Pollution

- (15)Now the Spotlight Turns to Argentina's Pulp Mills
- (16)Pulp Mill Debate: Populism or Genuine Concern?
- (17)Clean Air Plan for Santiago Fails
- (18)Brazil Demands for Better Control of Chemical Spills
- (19)Ecuadorian State Oil Company Accused of Polluting

#### Urban Waste Management

- (20)Governor of Sao Paulo State Signs Solid-Waste Legislation
- (21)Brazil: Environmentalists Challenge Garbage Burning
- (22)Argentina: Transforming Garbage into Decent Jobs

#### Energy

- (23)Brazil Launches Facility for Uranium Enrichment

#### General

- (24)USAID Supports Project for Sustainable Development of the Paraguay Chaco

BRASILIA 00001079 002 OF 013

- (25)Amazon 'Stonehenge' found in Brazil
- (26)Youths to Live an Amazon Adventure

#### Avian Influenza Update

- (27)U.S. to Finance Avian Flu Prevention in Brazil & Other Countries
- (28)The FAO/OIE Avian Influenza Crisis Management Center

(29) SPECIAL: (Q&A) Former IDB official critical of new highway's planning

#### Health

### 13. On Chile's Easter Island: Fungus Provides a Possible Cancer Drug

MAY 16, 2006 - A recent study by the Clinical Journal of the American Society of Nephrology revealed that the drug "rapamycin" - sourced from an Easter Island fungus - halves the risk of cancer in kidney transplant patients. The drug also proved successful in reducing cancerous tumors. The drug was first discovered in 1975 as a product of the bacterium "Streptomyces hygroscopicus in a soil sample from Easter Island. The fungus was discovered to have antibiotic properties and was originally developed as an antifungal agent. It was not until 1987, when the Canadian university Mc Gill found that the fungus had far greater medicinal potential, that researches discovered the drug's potent immunosuppressive and antiproliferative properties. In other words, it could fight organ rejection in transplant patients and cancer treatment.

Source - Santiago Times (no link)

#### Water Issues

### 14. U.S. Supreme Court Ruling Changes Standards for Dam Licensing

MAY 15, 2006 - In a victory for clean water and wildlife, the Supreme Court today affirmed that states may mandate dam licenses to ensure that dams do not pollute, impair fishing, swimming or drinking water. "The Court's decision is a landmark decision

interpreting the Clean Water Act, one which guarantees the authority of states to protect our rivers and streams from the damage caused by dams," says David Mears, a professor at the Environmental and Natural Resources Law Clinic at Vermont Law School. The ruling, a 9-0 opinion, found that operating a dam results in a "discharge into navigable waters." The ruling affirmed that states have authority under the Clean Water Act to require federal dam relicensing comply with state standards that protect water quality. The case involved a hydroelectric dam on the Presumpscot River in southern Maine. In 1999, S.D. Warren, which operates the dam, applied for relicensing of the dam with the Federal Energy Regulatory Commission. The state of Maine, pursuant to its water quality certification authority under Section 401 of the Clean Water Act, required that the dam

BRASILIA 00001079 003 OF 013

maintain minimum stream flows to protect fish and eel populations. S.D. Warren appealed, claiming that merely running water through a dam did not result in a "discharge," which triggers a states ability to certify a dam for water quality compliance during FERC relicensing, because nothing was added to the water. S.D. Warren lost in state court, and appealed the Supreme Court. The Supreme Court explicitly ruled that for state water quality certification to be triggered, nothing needed to be added to the water. The mere passing of water through the dam resulted in a discharge.

For more information please visit the National Wildlife Federation website

-----  
Forests  
-----

#### 15. Brazil: Eucalyptus Called into Question Yet Again

MAY 20, 2006 - Brazil's Ministry of Environment will promote planting of eucalyptus in order to contain deforestation in the eastern Amazon, where 14 steel mills process iron ore from the Sierra de Carajas using charcoal made from the native forests. But the idea is running up against environmentalists and peasant farmers, who are launching an offensive against the "green deserts" of the pulp industry, which is based on the fast-growing eucalyptus trees. The same argument of forest preservation was made for eucalyptus and the iron industry in the southern state of Minas Gerais, but deforestation continued anyway, Winfried Overbeek, with FASE, a non-governmental group associated with the Latin American Network Against Tree Monoculture, told Tierramerica. The risk is that it will degenerate into forest monoculture, said Paulo Moutinho, of the Amazonian Institute of Environmental Research.

Source - Tierramerica

-----  
Wildlife  
-----

#### 16. Argentina Against Bird Trafficking

MAY 20, 2006 - The Argentine Wildlife Directorate stepped up operations against the illegal sales of wild bird species that are endangered or whose populations are much reduced. Directorate chief Daniel Ramadori told Tierramerica that the birds being poached are traded on the side of a legal wild animal trade fair that takes place in the southern Buenos Aires district of Nueva Pompeya. In the sting, officials recovered yellow cardinals (*Gubernatrix cristata*), black-backed grosbeaks (*Pheucticus aureoventris*) and chopi blackbirds (*Gnorimopsar chopi*), among other protected species.

Source - Tierramerica

#### 17. Colombia: 'Extinct' Frog Comes Back To Life

BRASILIA 00001079 004 OF 013

MAY 19, 2006 - Scientists have sighted a spectacular South American frog which had been feared extinct for a decade. The painted frog is found only in a small remote region of Colombia, and the last sighting dates back to 1995. Conservationists believed it had gone extinct, principally due to a fungal disease, chytridiomycosis, which has caused enormous harm to many species. The team behind the rediscovery says it gives hope that other amphibians may be able to survive fungal attack. Chytridiomycosis is the main reason behind the worldwide decline in amphibians, which sees about one third of all species threatened with extinction. The Andes provides a graphic illustration of how devastating it can be. In this "hotspot" of amphibian diversity which includes parts of Colombia, Ecuador, Peru and Venezuela, 42 of the 113 species of Atelopus have experienced population declines of up to 50 percent.

Source - BBC

#### 18. Venezuela: Parakeets Endangered on Margarita Island

MAY 13, 2006 - Fewer than 20 blue-crowned parakeets (*Aratinga acuticaudata neoxena*) survive in the mangroves of La Restinga Park, on Venezuela's Margarita Island, in the Caribbean. The species is in grave danger of extinction, biologist Marialejandra Faria, of the environmental group Provita, told Tierramerica. This is due to "the degradation of its habitat, the growth of neighboring populations, but also to poaching of the birds for pets," said Faria. "We could try a program to hatch eggs in captivity, but we don't have the resources," she said. Provita has launched a program for young biologists involving 17 environmental organizations and 400 schoolchildren on Margarita, seeking to raise awareness about preserving the habitat of the blue-crowned parakeet and the yellow-shouldered Amazon parrot, whose population has grown from 750 to 1,900 in the past 17 years.

Source - Tierramerica

#### 19. 100 Oil-Coated Penguins Dead In Argentina

MAY 11, 2006 - Authorities reported some 70 of the dead Magellanic penguins were found at the Cabo Virgenes nature reserve on the Straits in the remote province of Santa Cruz. But environmentalists said they also found 31 of the wide-ranging migratory penguins dead off the Atlantic coast, some 375 miles southeast of Buenos Aires. The Argentine Coast Guard said it was sending flights in search of oil spills, but reported finding none that could have caused the birds coated in black crude to begin arriving on shores off the Straits of Magellan. "This is very worrisome. We don't know the source," said Francisco Anglesio, environmental undersecretary for Santa Cruz province where the deaths occurred, speaking with reporters in southern Argentina.

Source - article kindly shared by US Embassy Buenos Aires. Original source Washington Post

-----  
BRASILIA 00001079 005 OF 013

Fishing & Marine Conservation  
-----

#### 10. Award for Peru's Wildlife Pioneer

MAY 11, 2006 - A conservationist who has spent 25 years trying to protect Peru's marine wildlife has won a top UK environment prize, the Whitley Gold Award. Patricia Majluf researched and then campaigned against the impact of anchovy fishing off the Peruvian coast. High catches have affected dolphins, sea lions and birds such as pelicans. "We hope the award will help [Dr Majluf] in her fight to bring an end to unsustainable fishing practices along this globally important coastline," said Edward Whitley, founder and chairman of the Whitley Fund for Nature.

Source - BBC

#### 11. Peruvian Authorities Identify Illegal Fishing Activities

MAY 19, 2006 - The Regional Production Directory of the Department of Pisco identified during a two-week raid that all thirteen fish meal factories in the ports of Pisco and Tambo de Mora extract and process juvenile fish that have not reached the acceptable age or size; all thirteen will be fined. According to the press report, local artisanal fishermen supported the intervention. The report points out that the factories are also exceeding fishing quotas.

Source - El Comercio

-----  
Protected Areas  
-----

12. Peru Earmarks Area for Conservation

MAY 2006 - More than 3.7 million acres (1.5 million hectares) of land in the Sierra del Divisor region along the Peruvian-Brazilian border has been designated a reserved zone, a conservation category intended to protect important ecosystems while studies are conducted to determine their ultimate status. Peru's Agriculture Ministry set aside the land last month in the departments of Ucayali and Loreto. The area includes 681,183 acres (275,665 hectares) that already have been declared a territorial reserve for the Isconahua indigenous people, who have only sporadic contact with the outside world. The new reserve abuts the 2.1-million-acre (850,000- hectare) Serra do Divisor National Park in Acre, Brazil, which was created in 1989. The region's name-Sierra del Divisor in Spanish and Serra do Divisor in Portuguese-reflects the mountainous area's role in separating the watersheds of Peru's middle Ucayali River basin and Brazil's upper Jurua River basin.

Source - EcoAmericas (please contact Larissa Stoner for complete article)

13. Galapagos Feeling Population, Tourism Pressures

MAY 2006 - Conservation worries about the Galapagos Islands have

BRASILIA 00001079 006 OF 013

heightened in the wake of a controversial cruise-ship visit and an international delegation's trip to the archipelago to assess the state of environmental protection efforts. The delegation, comprising experts from Unesco and the World Conservation Union (IUCN), met in March with a variety of Galapagos stakeholders to gather information for a report for Unesco's World Heritage Committee. The Unesco panel is expected to use the report to decide in July whether to list the Galapagos as a threatened heritage site, a move that could damage the islands' pristine image, potentially affecting tourism and international-cooperation programs. A prime focus of tourism concerns are cruise ships, and fears that their high-volume visits will aggravate problems ranging from the trampling of island terrain to the introduction of exotic species. Debate about the issue intensified here when the MV Discovery, a cruise ship operated by U.S.-based Discovery World Cruises, visited the Galapagos from April 28 to May 2 with 324 passengers and 314 crew.

Source - EcoAmericas (please contact Larissa Stoner for complete article)

14. Chilean wilderness Area Attracts Upscale U.S. Investment

MAY 24, 2006 - Foreign investors have triggered a real estate boom in the wilderness area around the Region X town of Chaiten, with land purchases in the fertile territory between Futaleufu and Palena Rivers reaching prices upwards of USD 20,000 per hectare (about USD 10,000 per acre). The ex-patriot community - composed mainly of real estate investors, rafting fanatics and environmental activists - hopes to initiate eco-tourism projects that will throttle plans to build a series of dams on both rivers. The mostly North Americans and European ex-pats have purchased small properties ranging from one to 100 hectares, and shied away from investments in large properties. Most of the sales are close to the banks of the Palena and Futaleufu Rivers - both slated to be dammed by an international power consortium.

Source - Santiago Times (no link)

-----  
Industrialization & Pollution  
-----

¶15. Now the Spotlight Turns to Argentina's Pulp Mills

MAY 20, 2006 - The environmental impacts of the approximately 30 factories producing pulp and paper in Argentina are many, and a seemingly endless source of conflict. With challenges simmering against the construction of two large pulp mills in neighboring Uruguay, the Argentine companies are on the defensive. The entire sector in Argentina produces some 900,000 tons of pulp annually, based on different technologies and raw materials. The largest and most questioned mills are located on the Parana River, in the northeast. Since March, Paraguay has filed suit against Argentina for the alleged lack of wastewater treatment by the pulp mills Alto Parana, Celulosa Puerto Piray and Benfide, in the northeastern

BRASILIA 00001079 007 OF 013

province of Misiones, on their shared border. Alfredo Molinas, environment minister of Paraguay, said on May 12 that his country will insist that the problem "be resolved through diplomacy, without the need to escalate to a dispute." The environmental watchdog group Greenpeace will disseminate a report at the end of the month about the paper and pulp industry in Argentina, where, it says, no company in that sector sets a positive example, but rather all pose problems.

Source - Tierramerica

¶16. Pulp Mill Debate: Populism or Genuine Concern?

MAY 16, 2005 - The Argentine government has taken a stand against two wood pulp mills being constructed in Uruguay's Rio Negro department because it claims that the plants will pollute the Uruguay river, but there is feeling that the motives may not be quite as altruistic as they seem. [...] deputies on the lower chamber's natural resources committee recently backed an environmental impact law that has been neglected for some seven years. If passed, this bill would oblige all types of potentially polluting industries to carry out environmental impact studies before permission for construction would be granted. The law could be approved by the chamber of deputies within a month before heading to the senate for ratification. Certainly, this would be an improvement to the current legislation, but might not be quite so much help where plants that pollute the environment have already been built and are in operation.

Source - Business News Americas (please contact Larissa Stoner for complete article)

¶17. Clean Air Plan for Santiago Fails

MAY 20, 2006 - The failure of the plan proposed in 2000 to clean up the air in the Chilean capital, home to five million people, is one of the biggest challenges facing new President Michelle Bachelet, who took office in March. So far in 2006, Santiago has seen one day of environmental "pre-emergency" and several days with alerts issued in response to increased air pollution, which result in restrictions on vehicle circulation and shut-downs of boilers and other sources of emissions, and even bans on outdoor sports activities at schools. The critical conditions brought by the climate phenomenon known as La Nia, with scant rain and low temperatures, brought to the fore the environmental vulnerability of the capital, as warned by at least two reports from international auditors, which pointed to shortfalls in many of the measures of the Atmospheric Decontamination and Prevention Plan (PPDA) pledged in 2000. According to sources in the business sector, the pre-emergency declared on Friday, May 12, resulted in economic losses of 3.9 million dollars, due to the shutdown of 596 factories and 320,000 vehicles, including 120,000 cars with "green seals", which run on unleaded gasoline.

Source - Tierramerica



18. Brazil Demands for Better Control of Chemical Spills

MAY 13, 2006 - An inter-ministerial committee in Brazil has proposed a system that would obligate companies, ports and entities that handle chemical products to notify authorities about spills, given their serious threats to local populations. The environmental legislation would require immediate notification, and would punish inaction, but in many cases the gasoline stations -- the main source of such accidents -- discover the spills when they are already serious and have contaminated underground water sources, for example, says geologist Katia Duarte, who investigated the issue in Brasilia while researching her doctoral thesis, completed in 2003. From 1978 to 2005, in Sao Paulo, the only Brazilian state to systematically monitor chemical spills, there were 6,303 such accidents recorded -- one-third involved liquid fuels. An obligatory reporting system for spills is crucial for the effectiveness of the national plan adopted in 2004 to prevent environmental emergencies involving toxic chemicals.

Source - Tierramerica

19. Ecuadorian State Oil Company Accused of Polluting

MAY 2006 - The Ecuadorian Comptroller General has rekindled criticism of oil operations in Ecuador by accusing Petroproduccion, a subsidiary of the state oil company Petroecuador, and three contractors of pollution violations in the Amazon region. The report, made public last month, draws on an environmental audit of oil operations in Orellana and Sucumbios provinces from June 1, 2000 to Aug. 30, 2004. The audit, by the comptroller's Directorate of Public Works Control, found Petroproduccion released 83 million gallons of production water in the two provinces, contaminating water resources. Production water, which can include oil and heavy metals, comes to the surface with crude during oil operations. The findings are under review, but Comptroller Genaro Pena says the report seems to justify prosecution of current and former employees of Petroproduccion and of its contractors. Jorge Dutan, Amazon superintendent for Petroproduccion, says treating production water is unnecessary because the company injects the water back underground. He adds, however, that he only can speak for the period he has been in his post, which is less than a year.

Source - EcoAmericas (please contact Larissa Stoner for complete article)

-----  
Urban Waste Management  
-----

20. Governor of Sao Paulo State Signs Solid-Waste Legislation

MAY 2006 - The governor of Brazil's heavily industrial state of Sao Paulo has signed the state's first law devoted exclusively to solid-waste management. The law, signed March 16 by Gov. Geraldo Alckmin after clearing the state Assembly last December, marks a bid to improve trash handling and disposal by solid-waste generators

BRASILIA 00001079 009 OF 013

including municipalities, industrial plants and hospitals. The legislation formally took effect with the governor's signature. However, the Sao Paulo state Environmental Secretariat still must draft rules governing the measure's implementation. Sao Paulo's new law covers the handling and disposal of all types of solid waste, from organic and inorganic residential trash and hospital waste to recyclable products and hazardous industrial refuse. The legislation was considered necessary because Brazil has no national solid-waste-management law-a situation that has prompted other states to pass their own measures, says Sao Paulo state Assemblyman Rodolfo Costa e Silva, who oversaw passage of the bill.

Source - EcoAmericas (for complete article please contact Larissa

Stoner)

#### 121. Brazil: Environmentalists Challenge Garbage Burning

MAY 13, 2006 - The "Usina Verde" project seeks to generate energy in Brazil while eliminating urban waste and helping to reduce global warming. But its good intentions have not won over environmental groups because the plan involves burning the garbage. The pilot plant of the project, which involves capital from a private company of the same name, began operations in May 2005 in Rio de Janeiro and is already converting 30 tons of garbage a day into 2.6 megawatts of energy. The sponsors of Usina Verde hope to sell facilities like the Rio de Janeiro plant to municipalities throughout the country. The project, one of 72 already approved by the Brazilian Inter-Ministerial Committee on Global Climate Change, now has to go through the United Nations before it can become part of the carbon market system.

Source - Tierramerica

#### 122. Argentina: Transforming Garbage into Decent Jobs

MAY 16, 2006 - A new law on Integral Management of Solid Urban Waste went into effect in late 2005. The law stipulates that the amount of garbage in landfills is to be reduced by 50 percent by 2012 and 75 percent by 2017, from 2003 levels. To reach that goal, the Buenos Aires city government has sponsored the organization of cooperatives of garbage scavengers and provided space for the first warehouse, located on the west side of the city and inaugurated on May 1, International Labor Day. It has also launched a pilot garbage separation program in buildings more than 20 stories high, public offices, five-star hotels, and housing, businesses and offices in the exclusive Buenos Aires district of Puerto Madero, on the Rio de la Plata coast.

Source - article kindly shared by US Embassy Buenos Aires. Original source Inter Press Service.

-----  
Energy  
-----

#### 123. Brazil Launches Facility for Uranium Enrichment

BRASILIA 00001079 010 OF 013

MAY 08, 2006 - With Western opposition to Iran's nuclear ambitions continuing to make the headlines, Brazil recently launched its first plant for 'enriching' uranium to use as fuel in nuclear power stations. Science minister Sergio Rezende stressed that the move was only for peaceful purposes and was part of the government's plans to produce enough uranium for its nuclear power stations by 2014. Brazil has the world's sixth largest reserves of uranium, but until now has had to send uranium to be processed in Canada and Europe before being able to use it at its two nuclear power stations. In recent years, Brazil has been pouring money into its nuclear program. Between 2003 and 2006 its budget increased from USD 34.5 million to USD 113.2 million.

Source - SciDev

-----  
General  
-----

#### 124. USAID Supports Project for Sustainable Development of the Paraguay Chaco

MAY 22, 2006 - In cooperation with USAID and the European Union, the Fundacion para el Desarrollo Sostenible del Chaco (DeSdel Chaco) was able to put together a series of map of the macrozones and soil quality of the departments (provinces) of Alto Paraguay and Boqueron. These maps, presented during an event sponsored by Paraguay's environmental secretariat SEAM on May 5, will be an important tool to evaluate investment and production priorities for the Chaco region and guarantee the sustainable development of the



departments.

Source - kindly shared by US Embassy Asuncion

#### 125. Amazon 'Stonehenge' found in Brazil

MAY 15, 2006 - Brazilian scientists have made a discovery, which may totally change the opinion that the Amazon area has never been populated by highly developed civilizations. Amapa State archaeologists have found an assembly of stones, nicknamed the Amazon Stonehenge after the famed stone circle in Britain. One hundred and twenty-seven granite blocks are arranged at an equal distance from one another on a flat surface 390 kilometers away from the administrative center of the Amapa state, Macapa. It is yet hard to say when and why the stones might have been arranged in the peculiar manner, but excavations may give an answer. So far, their age is estimated at 500 to 2,000 years. A local archaeologist said that it might have been an ancient astronomic observatory, as one of the stones marked the position of the Sun on the winter solstice day. It is also possible that Brazilian natives might have used the stone calendar for economic purposes. It is known that many Indian tribes started sowing in strict compliance with the position of stars. The time of religious rites was also dependent on the skies. Researchers do not doubt that only a highly developed civilization could have arranged the stones.

BRASILIA 00001079 011 OF 013

#### 126. Youths to Live an Amazon Adventure

MAY 13, 2006 - Some 45 students from Brazil, Bolivia, Colombia, Ecuador, Guyana, Peru, Suriname, Venezuela and French Guyana will retrace the same route followed by Spanish explorer Francisco de Orellana along the Amazon River in 1541 and 1542. The expedition, designed by the Organization of the Amazonian Cooperation Treaty (OTCA), will depart from Quito on June 24 and is scheduled to arrive in Brasilia on July 27. "The main objective is to encourage the kids to love and protect the Amazon. The important thing is that they are from different countries and speak different languages, which ensure the project's multiplier effect," OTCA secretary general Rosalia Arteaga told Tierramerica. The students will be accompanied by 27 teachers and professionals from various fields, and will take part in cultural and scientific activities.

Source - Tierramerica

-----  
Avian Influenza Update  
-----

#### 127. U.S. to Finance Avian Flu Prevention in Brazil & Other Countries

MAY 23, 2006 - A widely-circulated Brazilian daily reports that in a few days the USG will announce plans to invest in the production of avian flu vaccines, as well as training and development of monitoring mechanisms for that disease in Brazil, throughout Latin America and 17 other countries. Resources include the development of a vaccine at Sao Paulo's Butanta Institute. Story notes that investment in Latin America is part of the U.S. strategy to defend its mainland against the disease. "It's in the U.S. interest that countries in our neighborhood be prepared," said William Steiger, Special Assistant to the Secretary for International Affairs at the U.S. Department of Health and Human Services.

Source - Public Affairs US Embassy Brasilia. See also original article in Portuguese

#### 128. The FAO/OIE Avian Influenza Crisis Management Center

MAY 17, 2006 - In a meeting on May 8 with selected donors, FAO and OIE presented a final proposal for the establishment of the FAO-OIE Avian Influenza Crisis Management Center (CMC). The CMC is the fruit of months of close collaboration between the USG and FAO. The U.S. pledges of financial support, USD 1.2 million from USDA and USD 3.0 million from USAID, were the only pledges received during the

meeting. Nevertheless, FAO will move ahead with its ambitious schedule to have key elements of the CMC operational within the next few weeks. The CMC will provide FAO with the means to fulfill its responsibility as the UN-designated global coordinator for the emergency response to highly pathogenic avian influenza (HPAI). One of the key features of the CMC is the capacity to dispatch multi-disciplinary rapid response and assessment teams to avian

BRASILIA 00001079 012 OF 013

influenza-affected areas. The establishment of the CMC should help to alleviate persistent problems with coordination among donors and international organizations of assessment and response missions.

Source - UN ROME 00000030

¶29. SPECIAL: (Q&A) Former IDB official critical of new highway's planning

\*\*Please contact Larissa Stoner for EcoAmericas article on the Interoceanic Highway\*\*

(Source - EcoAmericas) Peruvian agronomist and forestry expert Marc Dourojeanni is a former professor and head of the Forestry Department at the La Molina Agricultural University in Lima. He also has worked in Peru's Ministry of Agriculture and, most recently, in the Inter-American Development Bank (IDB). At the IDB, Dourojeanni headed the environment division from 1990 to 1995 and served as the principal environment advisor from 1995 until retiring in 2002. Dourojeanni has argued for years that paving the Peruvian stretch of the Interoceanic Highway linking Brazil with the Pacific Coast would cause impacts similar to those experienced in the Brazilian Amazon, where wholesale deforestation followed highway construction. Now a private consultant based in Braslia, Brazil, Dourojeanni is currently working on a case study of the highway for the Bank Information Center, a non-profit watchdog in Washington, D.C. He spoke with EcoAmericas correspondent Barbara Fraser at a recent highway-project conference in Cusco, Peru.

What is the focus of your study of the Interoceanic Highway for the Bank Information Center?

It's a case study so that people can understand the enormous confusion that exists. People outside [Peru] think the highway cuts through virgin forest. They don't know that there has been [an unpaved] road there for 20 years. People outside think everyone opposes it, when everyone is in favor. People outside don't know that Peru's legislation is terrible. The idea is to produce a background document that can help [local community groups] back up their positions, criticisms, requests for financial support, etc. A major concern about the highway is the lack of funding for mitigation of environmental impacts.

Peru is the only country in Latin America that has never [sought] an environmental loan from the World Bank, IDB or Andean Development Corporation. Brazil has a portfolio of environmental loans. All Peru has gotten is a USD 5 million loan imposed by the IDB [as a condition] for Camisea [a gas project in the southern Amazon] and this little USD 17 million project [financed by CAF, to mitigate the highway's environmental impact]. Those are the only environmental loans in Peru's history, while Bolivia has huge environmental loans and an environment ministry financed by the IDB. Argentina has large environmental loans; Colombia has loans for mangrove swamps; Ecuador has loans for the Galapagos Islands and coastal management.

Why hasn't Peru pursued assistance for environmental mitigation? Peru's government disparages environmental matters and sees them as "gringo issues" or something that should be financed by donations. It seems the Peruvian government thinks this area should be handled

BRASILIA 00001079 013 OF 013

by donations-it's somebody else's problem, not theirs.

So the issue goes beyond the highway, to a need for the country to look at the environment differently?

Everything that has happened with the Interoceanic Highway is linked to the poor quality of Peruvian legislation on environmental impact evaluation. In Brazil, if you wanted to build an Interoceanic Highway, you'd have to do a feasibility study and an environmental

impact assessment (EIA) in three licensing stages. Neither the World Bank, the IDB nor the Brazilian government would authorize work to start until the EIAs are approved. And they're approved by Ibama [the Brazilian Institute for the Environment and Renewable Natural Resources], which doesn't fall under the Agriculture Ministry [as its Peruvian counterpart, Inrena, does], but under the Environment Ministry. The only [Peruvian] agency involved is the Transportation Ministry, and not a single EIA has been formally approved. The winners of the bid have been ordered to do the EIA, but they've been allowed to do it in 100-kilometer stretches so they can start working. In Brazil, when Ibama issues an environmental license, it issues a list of recommendations to be implemented by various ministries. The underlying problem is Peru's legislation, which is a disaster.

What can be done at this late stage, since construction on the project is already beginning?

In terms of the highway itself, the only thing we can hope is that local organizational efforts are successful and lead to international support, even though it will be fragmented. At least that would be a chance to avoid the worst. I'm not very optimistic, though. I don't believe there's much that can be done.

Should there be a moratorium on roads in the Amazon?

No. When a road is built in the middle of Yellowstone National Park [in the United States], the law says that the forest will be kept along the road, and the forest is kept. In Malaysia, there are paved highways with forests that have been managed for 70 years or more on one side and small farms on the other. No farmer would ever cross the road to cut down trees. There's discipline. The history of Latin America is a history of laws and more laws that no one enforces.

The Interoceanic Highway is part of the Initiative for the Integration of Regional Infrastructure in South America (IIRSA).

What is your view of the larger project?

IIRSA was launched by the 12 South American presidents [at a summit in Brasilia in 2000], but it actually has been shamelessly promoted by the IDB and CAF so they can lend money. It's a way of investing.

All the ministries have dusted off their old projects and selected a huge portfolio. Now the World Bank has gotten involved, too, which is good, because the World Bank will be more prudent. It's just a package of public works involving roads, energy interconnection and telecommunications.

What environmental impact do you foresee?

It will be huge, because there's no strategic evaluation of IIRSA. They're starting to do studies in Brazil for the Madeira River hydroelectric project, which is part of IIRSA South, which also includes the Interoceanic Highway. They've barely begun the studies, and there's already a lot of resistance in Brazil even to doing the studies. But [the projects] are going to be done.

CHICOLA